

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF	)	CASE NO.
BATH COUNTY WATER DISTRICT	)	2017-00052

ORDER

On January 26, 2017, Bath County Water District (“Bath County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Bath County purchases water from the Morehead Utility Plant Board (“Morehead”) and the Mt. Sterling Water & Sewer System (“Mt. Sterling”).

2. Morehead notified Bath County that its wholesale rate to Bath County would increase from \$1.250 per 1,000 gallons to \$1.398 per 1,000 gallons and the Capital Costs would increase from \$17,326.84 per month to \$17,416.40 per month, effective January 1, 2017. Mt. Sterling notified Bath County that its wholesale rate to Bath County would increase from \$2.85 per 1,000 gallons to \$2.96 per 1,000 gallons, effective July 1, 2016.<sup>2</sup> Bath County proposes to increase the water rates to its customers effective February 15, 2017, to reflect the increased cost of purchased water.

---

<sup>1</sup> KRS 278.012; 807 KAR 5:068.

<sup>2</sup> TFS 2016-00321 (Ky. PSC filed May 24, 2016); the tariff was accepted for filing by the Commission by letter dated June 22, 2016.

3. Bath County proposes a purchased water adjustment factor of \$0.17 per 1,000 gallons.

4. During the 12 months ended December 31, 2016, Bath County purchased 428,694,000 gallons of water from Morehead and purchased 27,154,000 gallons of water from Mt. Sterling. During the same period, Bath County sold 421,796,000 gallons of water. The increase in the cost of purchased water is \$67,508.37, resulting in a purchased water adjustment factor of \$0.17 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.17 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Bath County's proposed rates as set forth in Appendix B to this Order are fair, just and reasonable and should be approved for water service rendered by Bath County on and after February 15, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.17 per 1,000 gallons is approved.

2. Bath County's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by Bath County on and after February 15, 2017.

3. Within 20 days of the date of this Order, Bath County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED  
**FEB 20 2017**  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director *for*

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2017-00052 DATED **FEB 20 2017**

	New Rate	Base Rate
Bath County		
Morehead		
Purchases in gallons	428,694,000	428,694,000
	<u>\$ 1.398/1,000</u>	<u>\$ 1.250/1,000</u>
	\$599,314.21	\$535,867.50
Capital Costs	\$ 17,416.40	\$ 17,328.84
	<u>12 months</u>	<u>12 months</u>
	\$ 208,996.80	\$207,922.08
Mt. Sterling		
Purchases in gallons	27,154,000	27,154,000
	<u>\$ 2.96/1,000</u>	<u>\$ 2.85/1,000</u>
	\$80,375.84	\$77,388.90
Total	\$888,686.85	821,178.48
Increased water cost		\$67,508.37

Increased water cost \$ \$67,508.37  
 Divided by gallons sold/1,000 421,796,000  
 Purchased water adjustment factor \$ 0.16005 per 1,000 gallons  
 or \$ 0.17 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2017-00052 DATED **FEB 20 2017**

The following rates and charges are prescribed for the customers in the area served by Bath County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	2,000 gallons	\$ 16.24 Minimum Bill
Next	3,000 gallons	6.27 per 1,000 gallons
Next	5,000 gallons	4.84 per 1,000 gallons
Next	10,000 gallons	4.18 per 1,000 gallons
Next	30,000 gallons	3.96 per 1,000 gallons
Over	50,000 gallons	3.84 per 1,000 gallons

1-Inch Meter

First	10,000 gallons	\$ 59.25 Minimum Bill
Next	10,000 gallons	4.18 per 1,000 gallons
Next	30,000 gallons	3.96 per 1,000 gallons
Over	50,000 gallons	3.84 per 1,000 gallons

2-Inch Meter

First	50,000 gallons	\$219.85 Minimum Bill
Over	50,000 gallons	3.84 per 1,000 gallons

Bulk Sales		8.63 per 1,000 gallons
------------	--	------------------------

\*Bath County Water District  
21 Church Street  
P. O. Box 369  
Salt Lick, KY 40371

\*Sherri Greene  
Bath County Water District  
21 Church Street  
P. O. Box 369  
Salt Lick, KY 40371